

NEWS RELEASE

The Chartis Group Finds Majority of Health Systems Are Lagging on Digital Transformation in Research for HIMSS21

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<https://www.chartis.com/about/news/chartis-group-finds-majority-health-systems-are-lagging-digital-transformation-research>

The Chartis Group, a leading healthcare advisory and analytics firm, found that while the pandemic thrust the healthcare industry into a digital revolution, most health systems are behind on meaningful digital transformation. The study shows that more than half (52 percent) of respondents still operate with free-standing digital solutions, rather than progressing toward digitally forward care models.

While 80 percent of survey respondents say that they plan to increase their investment in digital, health system executives say the impediments are not related to technology investments, but rather internal factors, such as reimbursement, physician buy-in, and operating processes.

"The reality is that health systems are at an inflection point, and the stakes have never been higher. Systems have a growing desire to invest in meaningful digital transformation, but without greater investments in internal factors like business, operating, and clinical model transformation, they risk digitizing obsolete processes and business models, creating a more costly and cumbersome health system rather than an efficient, agile, transformed one," said Tom Kiesau, Director and Digital Leader, The Chartis Group. "There won't be a one-size-fits-all approach to strategic investment, but systems that don't prioritize their investments in order to move the ball forward in their organization's unique priority areas will sacrifice competitive position, results, and returns."

Eighty-eight percent of survey respondents believe commercial payments need to grow to support long-term financial health, but they expect a continued push toward value-based-care (VBC), with the prediction that the percentage of revenue in VBC arrangements will increase to nearly 40 percent over the next five years. At the same time, digital investment needs are rising for nearly every health system. Many don't see any reductions in more traditional investment areas, such as infrastructure or staff, meaning additional investments are needed across virtually every dimension of the healthcare enterprise. To prioritize digital

transformation, health systems must align their investments with larger enterprise goals that can be advanced by digital solutions.

In the short term, health systems need to focus on how they integrate their digital solutions into their healthcare delivery ecosystem to advance near-term goals, like patient access, engagement, and cost management. Over the long term, health systems need to begin to reconceive the entire delivery ecosystem, enabling care model delivery redesign, consumer-centric service models, and new care setting development.

Success will require dedicated leadership; engaged and informed executive governance; sufficient dedicated enterprise transformation resources; clear forward-looking planning roadmaps; and specific, results oriented KPIs and ROI metrics.

To learn more, [click here](#).

The Chartis Group released proprietary research into the state of health systems' digital transformation during HIMSS21 as part of the HIMSS Trust partnership. Healthcare Information and Management Systems Society, Inc. (HIMSS) is a global advisor and thought leader supporting the transformation of the health ecosystem through information and technology. Survey respondents represented a mix of geographies, most were from urban and suburban areas, stand-alone community hospitals, or regional health systems, with \$500 million to \$5 billion in revenue.